

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE DEPARTMENT OF ENERGY OF THE UNITED STATES OF AMERICA
AND
THE STATE PLANNING COMMISSION
OF THE PEOPLE'S REPUBLIC OF CHINA
ON BILATERAL ENERGY CONSULTATIONS**

The Department of Energy of the United States of America and the State Planning Commission of the People's Republic of China (hereinafter referred to as the "Participating Agencies"), desirous of conducting bilateral energy consultations, have reached the following understanding:

ARTICLE I

The Participating Agencies intend to form a Chinese-American ministerial Working Group on Energy (hereinafter referred to as the "Working Group") to conduct energy consultations between the United States and the People's Republic of China. The purpose of the Working Group is to enhance the understanding of energy issues and to promote the exchange of information on energy policies, programs and technologies through consultations led by the Participating Agencies.

ARTICLE II

The objectives of the Working Group include consultations on:

- A) Discussing current and prospective energy developments in both countries, the Asian-Pacific Region, and the world at large;
- B) Facilitating exchange of information and assessments on energy demand and supply forecasts for the two countries;
- C) Exchanging views on energy and related environmental policies of both countries;
- D) Discussing the financing, development, management, and environment concerns of future major energy projects of both countries.

ARTICLE III

For the purposes of promoting closer contacts and mutually beneficial consultations, the arrangements for the Working Group's meetings should be as follows:

- A) The Working Group should consist of senior ministerial officials from the Participating Agencies. Participants in the annual consultations also may include representatives from such other agencies of the Government of the United States of America and the Government of the People's Republic of China as the Participating Agencies deem appropriate for the agenda for the consultations; and

B) Each Participating Agency should appoint an administrative secretary who should make preparations for the consultations and communicate between the Participating Agencies between consultations.

ARTICLE IV

The Working Group should be guided by the following procedures:

A) Consultations should be held at least annually, alternately in the United States of America and in the People's Republic of China;

B) Special meetings of the Working Group may be held upon agreement of the Participating Agencies;

C) The time of consultations and other meetings should be determined at least one month in advance following consultations between the Participating Agencies;

D) The agendas for all meetings should be determined by agreement of the Participating Agencies; and

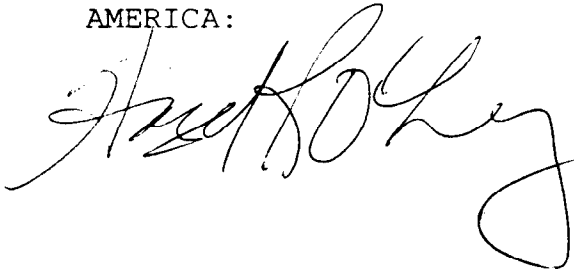
E) It is intended that the Participating Agencies and other participants in meetings will be responsible for their own travel and lodging expenses. The Participating Agency hosting the meeting should be responsible and pay the costs for arrangements associated with the meeting, including local transportation.

ARTICLE V

The Participating Agencies should conduct consultations in accordance with applicable laws and regulations of their respective countries and subject to the availability of funds and other resources.

Signed this 23rd February day of 1995, at Beijing in duplicate, in the Chinese and English languages.

FOR THE DEPARTMENT OF ENERGY
OF THE UNITED STATES OF
AMERICA:



FOR THE STATE PLANNING
COMMISSION OF THE PEOPLE'S
REPUBLIC OF CHINA:

